



United States Department of the Interior

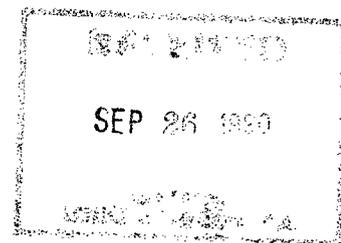


BUREAU OF LAND MANAGEMENT
CARLSBAD RESOURCE AREA HEADQUARTERS
P.O. BOX 1778
CARLSBAD, NEW MEXICO 88220

3162 (067)
NM-0924

SEP 25 1990

Hondo Drilling Company
c/o Losee, Carson, Haas & Carroll, P.A.
P. O. Drawer 239
Artesia, NM 88211-0239



RE: NM-0924
Alcott Fed. Com. #1
SWNE, Sec. 31
T18S, R29E; NMPM

Gentlemen:

Your request to downhole commingle North Turkey Track Strawn production with North Turkey Track Cisco-Canyon production in the above referenced well is hereby approved.

We recognize that your request is made in the interest of conservation. The combination of these compatible gas condensate reservoirs will prolong the marginal production of both zones and recover gas and condensate that would not be otherwise produced.

As stated in your application, the lease and royalty owners are identical for both horizons. Your proposed plan will not result in reduced Federal royalty or improper measurement since the Strawn zone will produce at its assigned rate. The surface lease facilities which currently handle production from the Strawn zone will also be implemented for the handling of Cisco-Canyon production.

This approval is subject to like approval from the New Mexico Oil Conservation Division.

Please contact Shannon J. Shaw at (505) 887-6544 or at the letterhead address if further information is required.

Sincerely,

for Richard L. Manus
Area Manager

cc:NM (065, B. Lopez)
NM (067, E. Inman)
NM (067, S. Shaw)
NMOCD - (Santa Fe, D.R. Catanach)